

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109
(415) 749-5073

APPROVED MINUTES

Summary of Board of Directors
Budget and Finance Committee Meeting
Wednesday, November 26, 2014

1. Call to Order – Roll Call

Budget and Finance Committee (Committee) Chairperson Carole Groom called the meeting to order at 9:30 a.m.

Present: Committee Chairperson Carole Groom; Vice-Chairperson Eric Mar; Board of Directors (Board) Chairperson Nate Miley; and Directors David Hudson, Liz Kniss, Mark Ross and Brad Wagenknecht.

Absent: Directors John Gioia and Shirlee Zane.

Also Present: None.

2. Public Comment Period

Julio Focaracci addressed the Committee regarding the pervasive nature and public health impacts of wood smoke and in support of a moratorium on residential wood burning and increased enforcement of current regulations.

NOTED PRESENT: Board Chairperson Miley was noted present at 9:34 a.m.

Jack Broadbent, Executive Officer/Air Pollution Control Officer (APCO), reported that staff will deliver a presentation on the matter at the next meeting of the Board.

3. Approval of Minutes of April 23, 2014

Committee Comments: None.

Public Comments: No requests received.

Committee Action:

Director Hudson made a motion, seconded by Director Ross, to approve the Minutes of April 23, 2014; and the motion carried by the following vote of the Committee:

AYES: Groom, Hudson, Kniss, Miley, Ross and Wagenknecht.
NOES: None.
ABSTAIN: None.
ABSENT: Gioia, Mar and Zane.

4. Fourth Quarter Financial Report – Fiscal Year Ending (FYE) 2014

Jeff McKay, Deputy APCO, introduced the topic and Stephanie Osaze, Finance Manager, who gave the staff presentation *Fourth Quarter Financial Report – FYE 2014*, including an overview of general fund revenues and expenses, revenue and expense year-over-year comparisons, investments, fund balances, purchasing reporting requirements, and cumulative vendor payments in excess of \$70,000.

Committee Comments:

The Committee and staff discussed County and permit fee receipts; the importance of a future budget policy decision regarding the best use of overages; and the nature of the Clipper transit subsidy listed in slide 9, *FYE 2014 Vendor Payments*, and whether it is used and tracked by staff.

NOTED PRESENT: Director Mar was noted present at 9:52 a.m.

Public Comments: No requests received.

Committee Action: None; receive and file.

5. First Quarter Financial Report –FYE 2015

Ms. Osaze, gave the staff presentation *First Quarter Financial Report – FYE 2015*, including an overview of general fund revenues and expenses, revenue and expense year-over-year comparisons, investments, fund balances, purchasing reporting requirements, and cumulative vendor payments in excess of \$70,000.

The Committee and staff discussed, at slide 2, *1st Quarter Results FYE 2015*, the sense that the numbers reflect the improved economic climate and the commendable work of the lawyer involved in the settlement that resulted in the funds listed in the Penalties and Settlements line item.

Ms. Osaze concluded the presentation.

Committee Comments:

The Committee and staff discussed in what quarter a recent fine imposed on Tesoro would be included in the budget.

Public Comments: No requests received.

Committee Action: None; receive and file.

6. 939 Ellis Street Sale Proceeds

Mr. McKay gave the staff presentation *939 Ellis Street Sale Proceeds*, including an overview of the sale and recommendations.

Committee Comments:

The Committee and staff discussed the staff intention to transfer all of the remaining sale proceeds, not just the already committed \$8.5 million, to the General Fund Building Reserves; concerns relative to avoiding unnecessarily high costs for ancillary needs related to the move, such as furniture acquisition; the possibility of convening a public meeting at 375 Beale in the immediate future and prior to the Air District move; a construction update; Air District staff oversight of the project; the cause for the construction delay and cost overruns; the possibility of a building tour instead of a public meeting because of safety concerns and related cost; and the predictable nature of construction delays and cost overruns.

Public Comments: No requests received.

Committee Action:

Director Wagenknecht made a motion, seconded by Director Hudson, to recommend the Board:

1. Appropriate \$1,103,103 in the current fiscal year to cover the monthly base rent; and
2. Transfer remaining sale proceeds to the General Fund Building Reserves to:
 - a. Use towards purchase of 375 Beale Street Office Space (minimum of \$8.5M has been committed); and
 - b. Finance current and future building needs and obligations.

The motion carried by the following vote of the Committee:

AYES: Groom, Hudson, Kniss, Mar, Miley, Ross and Wagenknecht.
NOES: None.
ABSTAIN: None.
ABSENT: Gioia and Zane.

7. Committee Member Comments/Other Business: None.

8. Time and Place of Next Meeting

Wednesday, January 28, 2015, at Bay Area Air Quality Management District Headquarters, 939 Ellis Street, San Francisco, CA 94109 at 9:30 a.m.

9. Adjournment: The meeting adjourned at 10:14 a.m.

151 Sean Gallagher

Sean Gallagher
Clerk of the Boards